Canada - Saskatchewan Agreement on the North Portal Border Project

Border Infrastructure Fund Agreement

Canada Saskatchewan Estevan

Improving Canada's Borders Together

Ensemble, améliorons les frontières canadiennes

Prepared by
Saskatchewan
Highways & Transportation

2005-06 Annual Report

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1. Introduction

Canada and Saskatchewan signed the "Canada – Saskatchewan Agreement on the Saskatchewan North Portal Border Project" (Canada – Saskatchewan BIF Agreement) portion of the Border Infrastructure Fund (BIF) on May 11, 2005. As required in Schedule C.3 of the Canada – Saskatchewan BIF agreement this is the first annual report which covers the activities from the date of announcement March 5, 2003 to March 31, 2006. The Canada – Saskatchewan BIF Agreement will expire at the end of the 2008-2009 fiscal year.

The development and maintenance of basic border infrastructure is a key component in sustaining and expanding Canada's economic and trade relationship with the United States. Canada must have the capacity to move people and goods, safely and efficiently across the border and throughout the province.

Saskatchewan's economy is dependent on the export of goods and services. Modern transportation infrastructure and logistics services are essential to support trade and growth.[1] Saskatchewan's current transportation system supports a wide range of economic activities. These include agriculture and food processing, manufacturing, mining, tourism, and a multitude of service industries.

Saskatchewan's economic strategy[2] contains a commitment to invest in key transportation infrastructure; specifically, infrastructure that promotes safety, encourages tourism, promotes economic growth, and improves highway links between major centres and the world marketplace. The rehabilitation of various components of Highway 39 proposed through the BIF agreement supports this strategy.

Meeting Saskatchewan's current and future economic and trade development needs requires continued preservation and enhancement of the transportation infrastructure. Saskatchewan faces some tremendous challenges as the economy competes in the global marketplace. Modern logistics, such as 'just–in-time' deliveries, are key to being competitive. Associated with these trends is a shift between the relative importance of the two prevailing modes of transportation in Saskatchewan; rail and truck. Rail continues to decline in importance due in part to a decrease in availability, and increases in freight rates. The shift from rail to road is also directly related to changes in the economy, and the movement towards more high-value, processed goods which require timely and accessible truck service. Failure to provide an efficient transportation infrastructure across the Canada – United States border will hamper the competitiveness of many businesses as well as damage our trade relationships with the United States.

The BIF plan is based on four pillars: (i) the secure flow of people, (ii) the secure flow of goods, (iii) secure infrastructure, and (iv) information-sharing and co-ordination in the enforcement of these objectives.[3] The BIF program is designed to increase the efficiency and functionality of the transportation system in the vicinity of Highway 39 leading to the North Portal – Portal and Canada – United States international Gateway.[4]

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[1] Transportation Trade Corridors – Saskatchewan Highways and Transportation, January 2002
[2] Partnership for Prosperity – Saskatchewan Economic and Co-operative Development, 2001
[3] Border Infrastructure Fund – Infrastructure Canada, 2005
[4] Canada – Saskatchewan Agreement on the Saskatchewan North Portal Border Project (2005), Section 2.2

2. General Overview of Results

Saskatchewan's BIF projects are primarily resurfacing projects which include minor improvements such as roadway widening and the installation of rumble strips and are expected to improve safety and reduce congestion along the border. These projects will expand on improvements completed at North Portal in 1999.[5] The average border wait time has already been decreased by four minutes due to a new driver enrolment centre, a new truck inspection parking lot, and the implementation of expedited customs clearance programs.[6]

In total over 60 km of Highway 39 will be rehabilitated under the BIF agreement. A rehabilitation program of this size will have a large impact on public perception and safety, as well as effectively reduce user costs for travellers accessing North Portal.[7]

Canada and Saskatchewan funded two resurfacing projects under BIF since the agreement was announced in March of 2003. The resurfacing projects included the section of Highway 39 from the U.S. Border to Roche Percee and from Roche Percee to Estevan. Both projects are now complete. The forecasted shareable cost of the 2005/2006 BIF projects is $4,725,441.

Project component 4.0 of the BIF program includes the rehabilitation of 9.4 kilometres of Highway 39 through the City of Estevan. A formal agreement was signed on June 7th, 2005 between Saskatchewan Highways and Transportation and the City of Estevan. The city agreed to cost share improvements to 4th Street/Highway 39 through the City of Estevan by providing $1,000,000 in funding.

Highway 39 is part of the National Highway System (NHS) in Saskatchewan. It is located in the southeast corner of the province running from the U.S. border northwest towards Regina and Moose Jaw as shown in Figure 1 (p. 3). This highway provides a direct access to U.S. markets and helps control the functionality and capacity of our shared border.

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[5] North Portal/Portal Border Crossing Study: Report on 1998 and 1999 Commercial Traffic Trends. Saskatchewan Highways and Transportation

[6] North Portal Program Proposal - Border Infrastructure Fund (2005) p.9 Saskatchewan Highways and Transportation

[7] North Portal Program Proposal - Border Infrastructure Fund (2005) p.9 Saskatchewan Highways and Transportation

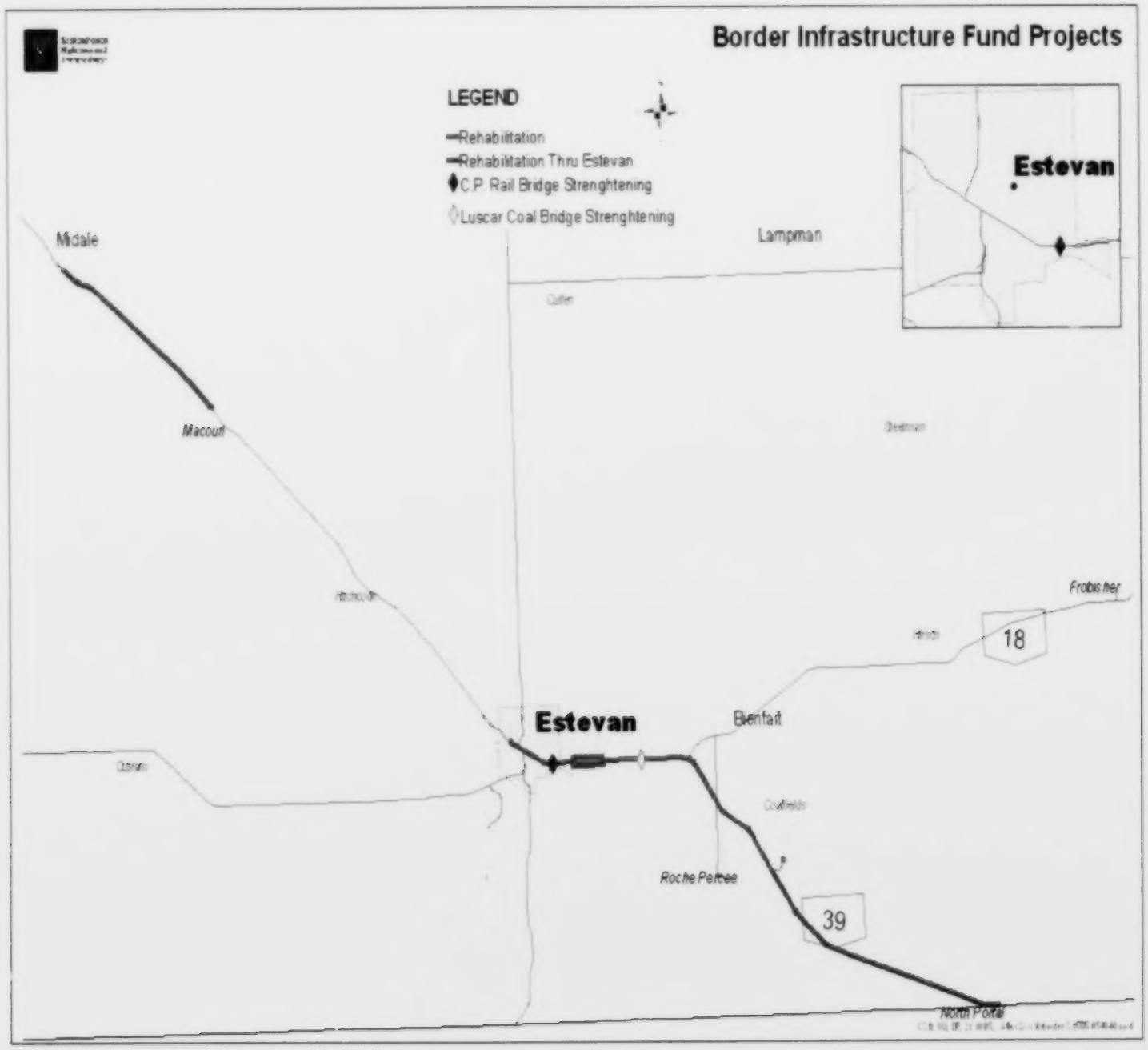


Figure 1: Border Infrastructure Fund Projects

3. Official Management Committee Meetings

Through a formal nomination process the following members were selected for the Management Committee: Bryce Conrad, Director of Highways and Borders for Transport Canada (federal representative), David Stearns, Regional Preservation Engineer for Saskatchewan Highways and Transportation (provincial representative), Kris Nanda, Senior Program Analyst for Infrastructure Canada (federal member), and Lori Matthews, Acting Manager of Operational Assessment for Saskatchewan Highways and Transportation (provincial member). Alternate members include John Czernick and Kelvin Shuvera of Saskatchewan Highways and Transportation as well as Jim Lothrop from Transport Canada and Maxine Bilodeau from Infrastructure Canada.

Changes to the Management Committee include: Jim Lothrop replaced Bryce Conrad as federal co-chair, Leanna Belluz replaced James Clarkin as federal member, and Allan Carpentier replaced Lori Matthews as provincial member.

The Management Committee for the Canada – Saskatchewan BIF agreement has conducted two meetings. The initial meeting was held on April 18th 2005 in Regina and was attended by David Stearns, Bryce Conrad, Kris Nanda (by telephone), Lori Matthews, John Czernick, Miranda Carlberg, James Clarkin, Ray Connoly, and Curtis Wiebe.

The second Management Committee meeting was held on September 28, 2005 by teleconference and was attended by David Stearns, Lori Matthews, Kris Nanda, and James Clarkin. Discussion of administrative details and project updates took place at both of the above stated meetings. The agendas and minutes of the Management Committee meetings are attached in Appendix A.

4. Schedule B Revisions

Schedule B of the Canada – Saskatchewan BIF Agreement outlines the projects that are to be undertaken through the agreement. Project proposals are submitted to the Management Committee for consideration. Projects to be undertaken are added to the Schedule B by the federal representative. The Original Schedule B, May 11, 2005 was approved by John Godfrey Minister of State (Infrastructure and Communities), Maynard Sonntag Minister of Highways and Transportation, and Jean-C Lapierre Minister of Transport. There have been two subsequent revisions to Schedule B approved by the Management Committee. Table 1 below provides a brief summary of the Schedule B revisions to date. Schedule B, Revision 2 is attached in Appendix B.

Table 1: Canada - Saskatchewan BIF Agreement Schedule B Revisions

Revision	Revision Date	Reason for Change	Approved
	May 11, 2005	Original	Approved by Ministers as part of the Agreement
1	March 23, 2006	Cash flow adjustments for project 1.0 and 1.1 and the addition of project 1.2	Approved by the Management Committee
2	March 31, 2006	Minor format change, merged columns.	Approved by the Management Committee

5. Project Updates and Expected Results

Project 1.1 – Highway 39: Rehabilitation from North Portal to Roche Percee

Project 1.1 consists of resurfacing 18.25 km of Highway 39 from the U.S. Border to Roche Percee.

Project Status

The resurfacing between North Portal and Roche Percee began on January 20, 2004 and was completed on September 29, 2004. The affidavit for this project was submitted on March 29th, 2006 and can be viewed in Appendix F. High iron content in the aggregate resulted in "pitting" across the surface. A flush was applied to the road to fill the surface voids and act as a binding agent to prevent future "pitting". The cost of the project was low and treatment was successful.

Completed Highway at North Portal

Table 2 below shows a summary of Schedule B from the U.S. border to Roche Percee.

Table 2: U.S. Border to Roche Percee Schedule B Summary

Contract Authorization	Start Date	Completion Date	Budget	Material Supplied/Work Completed by Saskatchewan	Contractor
PH037111	January 20, 2004	September 29, 2004	$2,553,812	Construction of Surfacing Structure	ASL Paving Limited

Environmental Issues

Given that the project is primarily on existing roadways, little or no impact should occur to wildlife, native species, or heritage resources, particularly since the lands are already chronically disturbed[8]. As a result the project has received Transport Canada exemption from a full environmental assessment.

Financial Summary

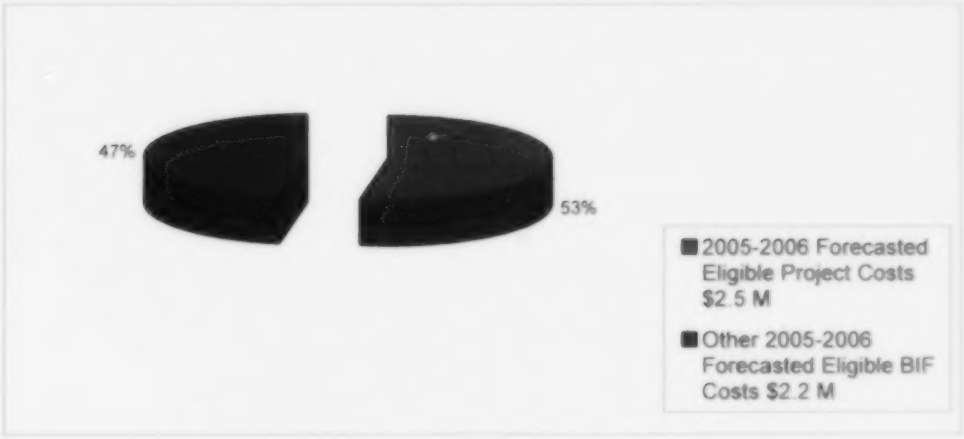
A financial summary for the Highway 39 resurfacing project is outlined in Table 3 (p. 6). Figure 2 illustrates the 2003-05 BIF expenditures from the U.S. border to Roche Percee (p. 6). All expenditures are based on Schedule B Revision 2 (Appendix B).

[8] North Portal Program Proposal - Border Infrastructure Fund (2003), p. 15, Saskatchewan Highways and Transportation.

Table 3: U.S. Border to Roche Percee - Schedule B Summary

Estimated Project Cost	Shareable Project Cost	Agreement		Forecasted Expenditures 2005-06	Actual Expenditures 2005-2006	2005-06 Accruals	Forecasted Expenditures 2006-07
		Federal	Provincial				
$2,553,812	$2,491,915	$1,245,958	$1,245,957	$2,491,915	$2,101,929	$0	$0

Figure 2: U.S. Border to Roche Percee 2003-2005 BIF Expenditures



Project 1.2 – Highway 39: Rehabilitation from Roche Percee to Estevan

Project 1.2 consists of resurfacing 20.43 km of Highway 39 from Roche Percee to Estevan.

Project Status

The resurfacing from Roche Percee began on March 1, 2005 and was completed on July 12, 2005. The affidavit for this project was submitted on March 29th, 2006 and can be viewed in Appendix F. Major failures occurred on the east bound lanes of the divided section south of Estevan due to a saturated subgrade. The subgrade was stabilized with the installation of a geotextile fabric which will assist in strengthening the subgrade and reduce the effects of increased dynamic loading.

Bienfait Intersection

Table 4 below shows a summary of Schedule B from Roche Percee to Estevan.

Table 4: Roche Percee to Estevan Schedule B Summary

Contract Authorization	Start Date	Completion Date	Budget	Material Supplied/Work Completed by Saskatchewan	Contractor
PH037112	March 1, 2005	July 12, 2005	$2,241,017	Construction of Surfacing Structure	ASL Paving Limited

Environmental Issues

Given that the project is primarily on existing roadways, little or no impact should occur to wildlife, native species, or heritage resources, particularly since the lands are already chronically disturbed.[9] As a result the project has received Transport Canada exemption from a full environmental assessment.

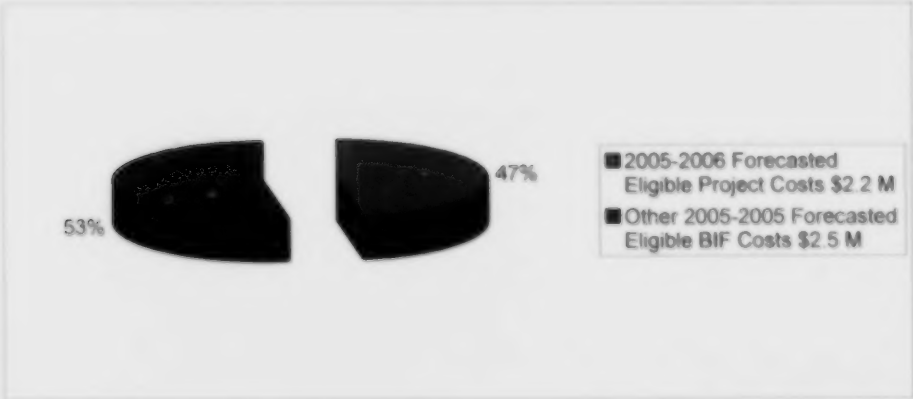
Financial Summary

A financial summary for the Highway 39 resurfacing project is outlined in Table 5 below. Figure 3 below illustrates the 2003-05 BIF expenditures from Roche Percee to Estevan. All expenditures are based on Schedule B Revision 2 (Appendix B).

Table 5: Roche Percee to Estevan - Schedule B Summary

Estimated Project Cost	Shareable Project Cost	Agreement		Forecasted Expenditures 2005-06	Actual Expenditures 2005-06	2005-06 Accruals	Forecasted Expenditures 2006-07
		Federal	Provincial				
$2,241,017	$2,233,526	$1,116,763	$1,116,763	$2,233,526	$1,761,142	$0	$0

Figure 3: Roche Percee to Estevan 2003-2005 BIF Expenditures



[9] North Portal Program Proposal - Border Infrastructure Fund (2003), p. 15, Saskatchewan Highways and Transportation.

Expected Results

The resurfacing projects between North Portal and Roche Percee, and between Roche Percee and Estevan, will increase the efficiency and functionality of the transportation system along Highway 39 leading to the North Portal – Portal and the Canada – United States international gateway.[10] These projects are also expected to improve public perception, and safety.

One MicroBENCOST analysis was done which included both projects, North Portal to Roche Percee and Roche Percee to Estevan. This analysis indicated that fuel consumption would be reduced by 2.1 million litres and carbon monoxide emissions will be reduced by 23,000 kg over the 20 year analysis period. These reductions will contribute to the environmental sustainability of Saskatchewan's transportation system. These projects are also expected to reduce road user costs such as vehicle operating costs, and increase delay savings by $8.6 million over the same analysis period.

The North Portal BIF projects will enhance the movement of people and freight on Highway 39 leading to North Portal. Information on commercial vehicles, carriers, and drivers will be accessible through linkage with the Commercial Vehicle Safety Alliance (CVSA) Inspection Information System for Saskatchewan, as well as the National Safety Code (Canada, U.S. and Mexico) inspection information and carrier profiles. This will improve the flow of commercial vehicles and reduce time delays, as trucks will be stopped only once for a major safety inspection. Improvements to the CPR overpass on Highway 39 will allow for the efficient movement of commodities by eliminating the need for special permits for overweight vehicles. Recent improvements to the North Portal truck inspection parking reduced congestion and improved northbound traffic flow at the border by allowing truck traffic to park adjacent to Highway 39.

6. Communications Activities

Schedule A of the BIF agreement stipulates that Canada and Saskatchewan "carry out joint communications activities and products that will promote opportunities to communicate with the public in an open, transparent, effective and proactive manner, using appropriate, ongoing, consistent public information material acknowledging the Parties' contributions." No major communications events have occurred in association with the Canada – Saskatchewan BIF Agreement, but a number of news releases have been provided to the media and public. Table 6 below contains a summary of events and news releases. Copies of the news releases are attached in Appendix C.

Table 6: Communications Activities

Date	Event	Party
March 5, 2003	Announcement of Canada – Saskatchewan BIF Agreement	Canada and Saskatchewan
March 3, 2004	News release for improving highways in the Weyburn/Estevan area	Canada and Saskatchewan
June 7, 2004	News release for improving Highway 47 near Estevan	Canada and Saskatchewan
August 30, 2004	News release for improving Highway 39 north of the U.S. border	Canada and Saskatchewan

[10] Canada – Saskatchewan Agreement on the Saskatchewan North Portal Border Project (2005), Section 2.2,

March 15, 2005	News release for improving highways in the Weyburn/Estevan area	Canada and Saskatchewan
May 24, 2005	News release for improvements to 4th Street in Estevan	Canada, Saskatchewan, and Estevan
June 29, 2005	News release for improvements to Highway 39 near Estevan	Canada and Saskatchewan

7. At the Border

Enhancing Safety

One of the main objectives of the BIF program was to enhance the safety of people moving between Canada and the U.S. The security of drivers and their vehicles has been improved by a communications infrastructure that allows compliance officers throughout Saskatchewan to view safety inspection data and ticket charges entered by other officers. Upgrades to the Estevan scale site as part of project component 1.0 will help to strengthen safety and security at the border, and supports the Smart Borders Action Plan.

BIF has been a large rehabilitation program, preserving entire roadways and ensuring the public's safety. An important issue has been pavement roughness, which gives way to "driver overload". Driver overload is when too much of the driver's attention is used to avoid ruts and potholes. Smooth roads help to reduce accidents caused by driver error, ensuring the safety of travellers. In fact, "the North Portal BIF program will result in ... $197,000 in reduced accident costs"[11]

Other safety measures have been taken to ensure drivers' safety on the newly updated roadways. These include "consolidating access points to reduce conflict points, correcting geometric deficiencies such as curves and sight distances, addressing emergent traffic generators by considering intersection treatments, and adding shoulder rumble strips to warn drivers they are nearing the edge of the roadway."[12]

Coordination with Border Network

The prairie region's economy is largely dependent on trade relations with the U.S., focusing attention on border crossing infrastructure. Currently, North Portal is Saskatchewan's only border crossing open to both passenger and commercial vehicles. One of the key goals of the BIF projects has been to ensure enhanced access to the U.S. market. The improvement projects on Highway 39 have built upon the recently completed and ongoing partnership work in the area. North Dakota is presently completing construction work along Highway 52, which will improve access to the Portal/North Portal border crossing.

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[11] North Portal Program Proposal Draft - Border Infrastructure Fund (2005), p. 16, Saskatchewan Highways and Transportation.
[12] North Portal Program Proposal Draft - Border Infrastructure Fund (2005), p. 19, Saskatchewan Highways and Transportation.

8. Risk Assessment

The Risk Assessment for the Highway 39 BIF projects considered factors which affected the scope, schedule and budget of these projects. Factors that could cause the project budget to escalate include, fuel prices, steel prices, environmental problems and haul distance for quality aggregate. Factors that could cause this project to be completed late include weather and contractor capacity.

The volatile fuel market uncertainty is one component which will cause project costs to increase. In 2005, tendered contracts indicate contractors were bidding in the risk associated with fuel and all signs indicate this will influence future bids for paving operations and haul. The large equipment required to haul aggregate, mill pavement and paving use large quantities of diesel fuel.

Environmental issues is another factor that could significantly impact project costs. However, for the projects completed thus far, the environmental risks are very low as the department is resurfacing an existing highway and utilizing aggregate from known gravel pits.

Quality aggregate is rare in the south eastern part of Saskatchewan. Potential rock deposits have been rejected because of iron stone and shale content which is not desirable when used in asphalt concrete mixes. One of the gravel pits used for the Highway 39 project had high levels of iron stone. To reduce risks associated with iron stone the highway was flushed with high float oil a year after construction to seal up most of the pop outs (90% to 95% of the pop out will occur during the first year). Other risks associated with this project include cost increases due to underestimating the volume and quality of the aggregate sources. Efforts are continuing to minimize this risk through prospecting and drilling for new aggregate sources. However, new sources would require design changes that could affect the project schedule.

9. Summary of Expenditures

Table 7 (p. 11) details expenditures in the Canada – Saskatchewan BIF Agreement to the end of the 2005-06 fiscal year. The table also shows the remaining funds associated with each contract authorization as approved by the Management Committee on Schedule B, Revision 2.

10. Annual Audit

The Canada – Saskatchewan BIF program was audited for all expenditures up to March 31, 2006 by the Saskatchewan Provincial Auditor. The audit was a requirement of Clause 5.2 of the Canada – Saskatchewan BIF Agreement. The audit report is attached as Appendix D.

Table 7: Canada-Saskatchewan Border Infrastructure Fund – Detailed Expenditures 2005-06

Project Number	Project Description	Contract Authorization	Revised Contract Amount	2005-06 Expenditures Claimed to Date	Total Claimed To Date	Shared Claim Amount (50%)	Contract Balance
1.1	Rehabilitation - North Portal to Roche Percee	PH037111	$2,491,915	$2,101,929	$2,101,929	$1,050,965	$389,986

Project Number	Project Description	Contract Authorization	Revised Contract Amount	2005-06 Expenditures Claimed to Date	Total Claimed To Date	Shared Claim Amount (50%)	Contract Balance
1.2	Rehabilitation - Roche Percee to City of Estevan	PH037112	$2,233,526	$1,761,142	$1,761,142	$880,571	$472,384

Project Number	Project Description	Contract Authorization	Revised Contract Amount	2005-06 Expenditures Claimed to Date	Total Claimed to Date	Shared Claim Amount (50%)	Contract Balance
2.1	Luscar Coal Haul Road and CPR Overpasses		$651,000	$0	$0	$0	$651,000

Project Number	Project Description	Contract Authorization	Revised Contract Amount	2005-06 Expenditures Claimed to Date	Total Claimed To Date	Shared Claim Amount (50%)	Contract Balance
3.1	Rehabilitation Highway 39 Between Macoun and Midale		$1,950,000	$0	$0	$0	$1,950,000

Project Number	Project Description	Contract Authorization	Revised Contract Amount	2005-06 Expenditures Claimed to Date	Total Claimed To Date	Shared Claim Amount (50%)	Contract Balance
4.1	Rehabilitation Highway 39 Connector Through City of Estevan		$2,000,000	$0	$0	$0	$2,000,000
		Program Total:	$9,326,441	$3,863,071	$3,863,071	$1,931,536	$5,463,370

APPENDIX A

Management Committee Agendas and Meeting Minutes

AGENDA
Canada-Saskatchewan
BIF Management Committee Meeting No.1
April 18/2005 @ 10:00 a.m. Regina Local Time
Saskatchewan Highways and Transportation DM Boardroom (12th Floor)
1855 Victoria Ave. Regina, Saskatchewan

1.0 Opening Remarks – Introductions

2.0 Administrative Details

- 2.1 Note Taker
- 2.2 Management Committee Members
- 2.3 Decision making when MC Members cannot attend meeting
- 2.4 MC Member Alternates

3.0 BIF Program Management

- 3.1 Management Committee Guidelines/Rules
- 3.2 Brief Review of Contribution Agreement (including Schedule B)
- 3.3 Program date/Project documentation/project information requirements (Schedule C)
- 3.4 Certification of Engineering Guidelines in Projects
- 3.5 Environmental Assessment requirements/status
- 3.6 Update of all projects
- 3.7 Financial Management/Cash Flow Forecasts
- 3.8 Use of HCoMS/information requirements for SIMSI
- 3.9 Program reporting (contents of annual report)
- 3.10 Audit Requirements
- 3.11 Completion of Projects (Schedule F)
- 3.12 Tolls/Sale of Highways
- 3.13 Site Visits/Photos

4.0 Communications Protocol (Schedule A)

- 4.1 Public Announcement of Projects
- 4.2 Use of Signage on Projects
- 4.3 Special events (opening ceremonies, etc.)

5.0 Project Updates

6.0 Updates

Canada - Saskatchewan Border Infrastructure Fund (BIF) Management Committee Meeting (MC) ***For Sask. North Portal Border Project***	Date: **April 18, 2005** Location: **12th Floor, 1855 Victoria Ave. Regina, SK**
Meeting No. 1	
Note taker: Curtis Wiebe – Saskatchewan Highways and Transportation	
Attendees:	David Stearns – Provincial Co-Chair - Saskatchewan Highways and Transportation Lori Matthews – Acting Provincial Member - Saskatchewan Highways and Transportation John Czernick – Saskatchewan Highways and Transportation Miranda Carlberg – Saskatchewan Highways and Transportation Ray Connoly – Saskatchewan Highways and Transportation Curtis Wiebe – Saskatchewan Highways and Transportation Bryce Conrad – Acting Federal Co-Chair - Transport Canada Kris Nanda (by telephone) – Federal Member - Infrastructure Canada James Clarkin – Transport Canada

Record of Discussions

1.0 Opening Remarks

Summary: All were welcomed to the initial MC meeting for the Canada – Saskatchewan BIF Agreement. *It was noted that the MC could not be formally constituted until the Agreement was actually signed, which was expected shortly.* Miranda Carlberg noted that SHT requires the final version of the agreement to initiate the cabinet approval process.

Action items: TC to make final version of BIF agreement available	**Person responsible:**	**Deadline:**
	TC	ASAP

2.0 Administrative Details

2.1 Note Taker

Summary: Curtis Wiebe will take minutes for this meeting. Prior to each meeting a note taker will be determined.

Action items: Circulate minutes	**Person responsible:**	**Deadline:**
	John Czernick	ASAP

2.2 Management Committee Members		
Summary: MC noted that members will be the same as those for the CSIF MC, but that the formal nomination process will still be followed.		
Action items: Nomination letters are to be forwarded to appropriate officials.	**Person responsible:**	**Deadline:**
	Management Committee	
2.3 Management Committee Member Alternates		
Summary: MC noted that member alternates will be the same as those for CSIF agreement.		
Action items: N/A	**Person responsible:**	**Deadline:**
3.0 BIF Program Management		
3.1 Management Committee Guidelines – Rules		
Summary: It was noted that the BIF MC guidelines will mirror the CSIF MC guidelines. The MC resolved to schedule a conference call to finalize administrative details once the agreement has been signed. The remainder of section 3.0 of the agenda is deferred until that time.		
Action items: MC to schedule conference call upon signing of BIF agreement	**Person responsible:**	**Deadline:**
	Management Committee	
4.0 Communications Protocol		
Summary: MC noted that protocol to mirror that of the CSIF agreement and that communications branches should be informed as such. *INFC asked about identifying possible opportunities for a special event relating to the project (e.g. beginning or finishing work on a significant project component, Estevan signing on to project), noting that this could provide favourable publicity for both levels of government.*)		
Action items: SHT to investigate the opportunity for special event as requested.	**Person responsible:**	**Deadline:**
	David Stearns	
5.0 Project Updates		
Summary: SHT noted that negotiations with the City of Estevan are on-going and it appears likely that Estevan will come on stream. The project will be focusing on Highway 39 itself rather than the connecting roads. ASL Paving has been awarded the surfacing contract for the project southeast of Estevan to Jct. Hwy. 18. The project from the U.S. border to Jct. Hwy. 18 has been completed. As many preparations as possible are being made in anticipation of the signing of the BIF agreement. Transport Canada suggested moving as quickly as possible on environmental approvals as the criteria for excluding projects from CEAA are currently being reviewed.		
Action items: SHT to seek environmental exception approval quickly and follow up with design group	**Person responsible:**	**Deadline:**
	David Stearns	ASAP

AGENDA
Canada-Saskatchewan
BIF Management Committee Meeting No.2
September 28/2005 @ 1PM EST (11:00 a.m. Regina Local Time)
- via teleconference -

1.0 Opening Remarks

2.0 Administrative Details

- 2.1 Note Taker
- 2.2 Approval of Previous Meeting Minutes
- 2.3 Management Committee Members

3.0 BIF Program Management

- 3.1 Management Committee Guidelines/Rules
- 3.2 Brief Review of Contribution Agreement (including Schedule B)
- 3.3 Program date/Project documentation/project information requirements (Schedule C)
- 3.4 Certification of Engineering Guidelines in Projects
- 3.5 Environmental Assessment requirements/status
- 3.6 Update of all projects
- 3.7 Financial Management/Cash Flow Forecasts
- 3.8 Use of HCoMS/information requirements for SIMSI
- 3.9 Program reporting (contents of annual report)
- 3.10 Audit Requirements
- 3.11 Completion of Projects (Schedule F)
- 3.12 Tolls/Sale of Highways
- 3.13 Site Visits/Photos

4.0 Communications Protocol (Schedule A)

- 4.1. Public Announcement of Projects
- 4.2. Use of Signage on Projects
- 4.3. Special events (opening ceremonies, etc.)

5.0 Project Updates

- 5.1 Highway 39
- 5.2 Work within Estevan

6.0 Other Items

- 6.1 CPR seeking funding for grade separation at North Portal
- 6.2 Estevan City council seeking funding for a By-pass

7.0 Next Meeting

Canada - Saskatchewan Border Infrastructure Fund (BIF) Management Committee Meeting (MC) ***For Sask. North Portal Border Project***	Date: **September 28, 2005** Location: **Teleconference**
Meeting No. 2	
Note taker: James Clarkin – Transport Canada	
Attendees:	David Stearns – Provincial Co-Chair - Saskatchewan Highways and Transportation (SHT) Lori Matthews – Acting Provincial Member - Saskatchewan Highways and Transportation Kris Nanda – Federal Member - Infrastructure Canada (INFC) James Clarkin – Transport Canada (TC) Absent: Bryce Conrad – Federal Co-Chair - Transport Canada

Record of Discussions

1.0 Opening Remarks

Summary: All were welcomed to the Meeting. As Bryce Conrad was unable to attend as Federal Co-Chair, Kris Nanda assumed the duties of Federal Co-Chair.

Action items:	**Person responsible:**	**Deadline:**

2.0 Administrative Details

2.1 Note Taker

Summary: James Clarkin will take minutes for this meeting. Prior to each meeting a note taker will be determined.

Action items: Circulate minutes	**Person responsible:**	**Deadline:**
	James Clarkin	

2.2 Approval of Previous Meeting Minutes

Summary: It was noted that a meeting was held on April 18, 2005 in anticipation of the formal signing of the BIF agreement (signed on May 11, 2005) with all parties who now make up the Management Committee. It was agreed to adopt the minutes of the April 18, 2005 meeting as a BIF Management Committee meeting.

Action items:	**Person responsible:**	**Deadline:**
	Management Committee	

2.3 Management Committee Members

Summary: Nomination letters have been circulated by all parties. The MC members will be as follows:
Provincial Co-Chair – David Stearns – SHT
Provincial Member – Lori Matthews - SHT
Provincial Alternate – John Czernick - SHT
Provincial Alternate - Kelvin Shuvera - SHT
Federal Co-Chair – Bryce Conrad – TC
Federal Member – Kris Nanda – INFC
Federal Alternate – Jim Lothrop - TC
Federal Alternate – Maxine Bilodeau - INFC

SHT was not certain if the TC nomination letter had been received. TC to confirm and forward copy.

Action items: TC to forward copy of nomination letter to SHT.	**Person responsible:**	**Deadline:**
	James Clarkin	

3.0 BIF Program Management

3.1 Management Committee Guidelines – Rules

Summary: It was noted that the BIF MC guidelines will mirror the Canada Strategic Infrastructure Fund (CSIF) and Strategic Highway Infrastructure Program MC guidelines. INFC Canada will provide further details once BIF MC guidelines are finalized.

Action items: INFC to provide details on the MC guidelines.	**Person responsible:**	**Deadline:**
	Kris Nanda	

3.2 Review of Contribution Agreement and Schedule B

Summary: All parties noted that the BIF contribution agreement was very similar in form to the CSIF agreement being managed by the same Management Committee. Specific clauses of importance were discussed and noted in the proceeding items.

It was noted that Schedule B in the agreement included the provision to include the work within Estevan if an agreement was reached with the City of Estevan. As an agreement has been reached, as per the agreement Clause 15.5, SHT will forward a letter confirming the BIF agreement will include the work within Estevan.

Action items: SHT to provide letter confirming inclusion of Estevan component.	**Person responsible:**	**Deadline:**
	John Czernick	

3.3 Program Documentation (Schedule C)		
Summary: All parties noted that the requirements of the agreement to prepare a business case had been met.		
Action items: n/a	**Person responsible:**	**Deadline:**

3.4 Certification of Engineering Guidelines		
Summary: Per the agreement, SHT will provide a letter confirming the project work will meet or exceed Transportation Association of Canada guidelines.		
Action items: SHT to provide letter.	**Person responsible:**	**Deadline:**
	John Czernick	

3.5 Environmental Assessment Status		
Summary: With the provision of federal funding, the requirements of the Canadian Environmental Assessment Act (CEAA) must be met. It was noted that under CEAA rules the first two projects for the work south of Estevan had been excluded from requiring an environmental assessment largely because the projects were completed within the existing right of way. TC noted it was likely that the work within Estevan would also be excluded but it was not possible to make this determination until the project scope has been finalized. If the Estevan work cannot be excluded and an environmental assessment is required it could impact the schedule of the project. SHT will follow up with the design team to ensure they are aware of the CEAA requirements.		
Action items: SHT will follow up regarding the CEAA requirements. This item to be brought forward to next meeting agenda.	**Person responsible:**	**Deadline:**
	David Stearns	

3.6 Update of all Projects		
Summary: SHT provided a summary of the Highway 39 projects: Estevan to North Portal – The resurfacing has been completed. The section further south was completed in 2003 and in 2004 the surface was treated or 'flushed' to close the aggregate pores. Work within Estevan – The City of Estevan has hired Clifton Associates to undertake the design for the work within the City limits. The design is underway. Estevan north to Hitchcock – The project is scheduled to begin in 2005 with winter crushing work getting underway in the new year. All projects are moving ahead on schedule. SHT will submit affidavits for projects as per the agreement as they are completed.		
Action items: Affidavits to be completed when necessary.	**Person responsible:**	**Deadline:**
	SHT	

3.7 Financial Management and Cash Flow Forecasts		
Summary: SHT and TC will work together to input the BIF program details in HcoMS and update cash flows.		
Action items: SHT and TC to complete the task.	**Person responsible:** John Czernick/ James Clarkin	**Deadline:**

3.8 HcoMS and SIMSI		
Summary: The requirement for the use of HcoMS to track project costs and submit claims was noted. TC and SHT will work to input BIF details in HcoMS. INFC will provide further details on the SIMSI database as information becomes available.		
Action items: INFC to provide information on SIMSI.	**Person responsible:** Kris Nanda	**Deadline:**

3.9 Program Reporting		
Summary: As per the agreement, the requirement to complete an annual report was noted. The annual report should be submitted within 120 days of fiscal year end and accepted by TC prior to processing any claims for the next fiscal year. As the construction for the project was underway prior to signing of the agreement, the first annual report for 2005-06 will should address the period from the start of the project until to March 31, 2006.		
Action items: SHT to submit annual report	**Person responsible:** SHT	**Deadline:** 120 days from year-end

3.10 Audit Requirements		
Summary: As per the agreement, the requirement to complete an audit were reviewed. The specifics of compliance audits are still being reviewed. The audit report should be submitted within 120 days and must be accepted by TC prior to processing any claims for the next fiscal year. As the construction for the project was underway prior to signing of the agreement, the first audit for 2005-06 will should address the period from the start of the project to March 31, 2006.		
Action items: SHT to submit audit report	**Person responsible:** SHT	**Deadline:** 120 days from year end

3.11 Completion of Projects		
Summary: Upon completion of a project, SHT shall submit an affidavit certifying project completion as per Schedule F of the agreement.		
Action items: SHT to submit project affidavits upon completion.	**Person responsible:** SHT	**Deadline:**
3.12 Tolls Sale of Highways		
Summary: Schedule G to the agreement, noting the requirement for SHT to repay federal contributions if Hwy 39 should become a toll road, was noted by the MC.		
Action items: N/A	**Person responsible:**	**Deadline:**
3.13 Site Visits and Photos		
Summary: James Clarkin noted he had completed 2004 and 2005 site visits of the Highway 39 work. He will provide copies of the site visit reports for inclusion in the annual report.		
Action items: James Clarkin to forward site visit reports to SHT.	**Person responsible:** James Clarkin	**Deadline:**
4.0 Communications Protocol		
4.1 Public Announcements		
Summary: SHT and TC will cooperate to undertake joint communications events as per Schedule A of the agreement.		
Action items:	**Person responsible:**	**Deadline:**
4.2 Signage		
Summary: The requirements for the federal/provincial 'Improving Canada's Highways Together' signs were discussed. It was noted that a sign should be present at each end of the project in each direction, for a total of 4 signs per project. Signs should be left in place for one year following project completion (date of affidavit).		
Action items:	**Person responsible:**	**Deadline:**

4.3 Events		
Summary: Possible events were discussed, and SHT will review with their communications group whether any Highway 39 events are anticipated. It was suggested that the City of Estevan will likely seek an event around the work within Estevan.		
Action items: SHT to investigate the opportunity for special event as requested.	**Person responsible:**	**Deadline:**
	David Stearns	
5.0 Project Updates		
Summary: This item was summarized under section 3.6.		
Action items:	**Person responsible:**	**Deadline:**
6.0 Other Items		
6.1 CP Rail Funding at North Portal		
Summary: It was noted by all parties that CP Rail had made a request to the federal government for funding to construct a road/rail grade separation at North Portal. TC will provide further information as available. This item will be brought forward to the next meeting.		
Action items: TC to provide further information.	**Person responsible:**	**Deadline:**
	James Clarkin	
6.2 Estevan City request for Bypass funding		
Summary: It was noted that the City of Estevan and SHT were undertaking a study to assess the need for a by-pass around the City of Estevan. The City of Estevan has written to the federal government seeking potential funding for the project. SHT will keep the MC informed as information becomes available. This item will be brought forward to the next meeting.		
Action items: SHT to provide further information.	**Person responsible:**	**Deadline:**
	SHT	
7.0 Next Meeting		
Summary: To be determined. Likely February or March 2006.		

APPENDIX B
Schedule B, Revision 2

Canada-Saskatchewan Border Infrastructure Fund

2002.03 - 2008.09

Schedule 'B'

PROJECTS TO BE UNDERTAKEN THROUGH THIS AGREEMENT

Revision #2
2006/01/30

Project Number	Description of Projects	Estimated Project Cost	Shareable Project Cost	Agreement Contributions		Previous Claims	Breakdown Of Expenditures					Future Expenditures
				Federal	Partner	02/03 - 04/05	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010 (c1)	
1.0	Hwy 39 from North Portal to Estevan	$	$	$	$	$	$	$	$	$	$	$
1.1	Rehabilitation - North Portal to Roche Percee EA: Not Applicable Rehabilitation of Highway 39 from North Portal to Roche Percee (km 0.0 to Control Section 39-01 to km 18.25 to Control Section 39-01) including, but not limited to, planning and evaluation for the program, grade and security improvements	3,593,812	2,491,915	1,245,958	1,245,957	0	2,491,915	0	0	0	0	0
1.2	Rehabilitation - Roche Percee to City of Estevan EA: Not Applicable Rehabilitation of Highway 39 from Roche Percee to the City of Estevan (c/l Marchbanks Corner (km 18.25 to Control Section 39-01 to km 33.8 to Control Section 39-02) including, but not limited to, planning and evaluation for the program, grade and security improvements	2,233,017	2,233,526	1,116,761	1,116,765	0	2,233,526	0	0	0	0	0
	Sub-Total	4,794,829	4,725,441	2,362,721	2,362,720	0	4,725,441	0	0	0	0	0

Canada-Saskatchewan Border Infrastructure Fund

2002/03 - 2008/09

Schedule 'B'

PROJECTS TO BE UNDERTAKEN THROUGH THIS AGREEMENT

Revision #2
2006/01/30

Project Number	Description of Projects	Estimated Project Cost	Shareable Project Cost	Agreement Contributions		Previous Claims	Breakdown Of Expenditures					Future Expenditures
				Federal	Partner	02/03 - 04/05	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010 (a T)	
2.0	Luscar Coal Haul Road and CPR Overpasses	$	$	$	$	$	$	$	$	$	$	$
2.1	Luscar Coal Haul Road and CPR Overpasses EA: Not Applicable Strengthening (hwy 39 Luscar Coal Haul Road Overpass (Control Section 39-02) and Hwy 39 CPR Overpass (Control Section 39-02), including, but not limited to, grading and design	661,000	651,000	325,500	325,500	0	0	52,500	598,500	0	0	0
	Sub-Total	661,000	651,000	325,500	325,500	0	0	52,500	598,500	0	0	0
3.0	Hwy 39 between Macoun and Midale	$	$	$	$	$	$	$	$	$	$	$
* 3.1	Hwy 39 between Macoun and Midale Reinforcement of Highway 39 from km 28.57 to km 41.44 (Control Section 39-02) including, but not limited to, safety enhancements, lighting, expansion of intersecting roads as required for rehabilitation	2,250,000	1,950,000	975,000	975,000	0	0	222,059	1,727,941	0	0	0
	Sub-Total	2,250,000	1,950,000	975,000	975,000	0	0	222,059	1,727,941	0	0	0

Canada-Saskatchewan Border Infrastructure Fund

2002/03 - 2008/09

Schedule 'B'

PROJECTS TO BE UNDERTAKEN THROUGH THIS AGREEMENT

Revision #2
2006/01/30

Project Number	Description of Projects	Estimated Project Cost	Shareable Project Cost	Agreement Contributions		Previous Claims	Breakdown Of Expenditures					Future Expenditures
				Federal	Partner	02/03 - 04/05	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010 (if)	
4.0	**Hwy 39 Connector through City of Estevan**	$	$	$	$	$	$	$	$	$	$	$
* 4.1	**Hwy 39 connector through City of Estevan** Rehabilitation of Hwy 39 Connector through Estevan from Km 9.94 (Centre Section 39-02) to Km 11.51 (Centre Section 39-03), including enhancements required for rehabilitation	5,000,000	2,000,000	1,000,000	1,000,000	0	0	1,240,000	760,000	0	0	0
	Sub-Total	5,000,000	2,000,000	1,000,000	1,000,000	0	0	1,240,000	760,000	0	0	0

Canada-Saskatchewan Border Infrastructure Fund

2002/03 - 2008/09

Schedule 'B'

PROJECTS TO BE UNDERTAKEN THROUGH THIS AGREEMENT

Revision #2
2006/01/30

Project Number	Description of Projects	Estimated Project Cost	Shareable Project Cost	Agreement Contributions		Previous Claims	Breakdown Of Expenditures					Future Expenditures
				Federal	Partner	03/04 - 04/05	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010 (4.1)	
5.0	Unallocated Funds	$	$	$	$	$	$	$	$	$	$	$
* 5.1	Unallocated Funds	673,559	673,559	336,779	336,780	0	0	0	673,559	0	0	0
	Unallocated Funds											
	Sub-Total	673,559	673,559	336,779	336,780	0	0	0	673,559	0	0	0
	Program Total	11,379,388	10,000,000	5,000,000	5,000,000	0	4,725,441	1,514,559	3,760,000	0	0	0

* The disbursement of the funds required for this project is conditional upon the acceptance of an environmental assessment of the project pursuant to the Canadian Environmental Assessment Act, and the implementation of any mitigation measures that are determined appropriate.

Approved by the Management Committee

Canada

Date 2006-03-31

Province

Date March 31/06

APPENDIX C
News Releases

News Release

June 29, 2005

Highways and Transportation - 624

IMPROVEMENTS TO HIGHWAY 39 NEAR ESTEVAN

Saskatchewan Highways and Transportation has commenced work to improve Highway 39 south of Estevan.

The construction consists of resurfacing Highway 39 from approximately 18.53 km north of the US border to Kensington Avenue in Estevan, for a total distance of 20 km.

"This project will improve one of the province's most important north-south trade and tourism routes," Highways and Transportation Minister Maynard Sonntag said.

"The safe and efficient transportation of people, goods and services in Saskatchewan is of paramount importance and drives economic evelopment. Through this and other projects, we are continuing to ensure that our provincial transportation network will meet the challenges of the 21st century."

This project is valued at approximately $2.1 million and is being cost-shared through the federal government's Border Infrastructure Fund (BIF). Construction commenced on June 7th and is expected to be complete on July 7th, weather permitting.

The public is advised that there will be occasional traffic disruptions during this period. Remember to slow to 60 km/h when passing through the construction Orange Zone, and watch for construction workers, signs, and heavy equipment.

For more information about road construction projects, and other Saskatchewan Highways and Transportation activities, visit the web site at: www.highways.gov.sk.ca.

News Release

May 24, 2005

Highways and Transportation - 454

IMPROVEMENTS TO 4TH STREET IN ESTEVAN

Finance Minister Ralph Goodale, on behalf of Transport Minister Jean-C. Lapierre, along with Highways and Transportation Minister Maynard Sonntag, today announced that the City of Estevan has reached an agreement with the Government of Canada and the Province of Saskatchewan to cost-share improvements to 4th Street.

Under the agreement, 2.8 kilometres of 4th Street will be resurfaced at a cost of $3 million. Estevan will contribute $1 million, with the remaining $2 million funded equally by the federal and provincial governments through the Canada-Saskatchewan Border Infrastructure Fund. Design and planning work will occur this year, with construction scheduled for 2006.

"This federal, provincial and municipal collaboration will directly benefit the travellers and businesses in Estevan and the rest of Saskatchewan," said Mr. Goodale. "The improvements and upgrades to Highway 39 demonstrate the Government of Canada's commitment to improving the safety, efficiency and sustainability of Saskatchewan's transportation system."

"Fourth Street's link to Highway 39 makes it a vital connector to the provincial and national highway systems," Sonntag said. "With this agreement, all three levels of government recognize a shared interest in improving this important corridor."

The Government of Canada established the $600 million Border infrastructure Fund to help reduce border congestion, expand infrastructure capacity over the medium term, co-ordinate with adjacent American border facility and road access, support the implementation of the Smart Border Action Plan, and enhance safety and security at border crossings.

In Saskatchewan, the federal and provincial governments are cost-sharing $10 million in improvements to Highway 39 from the United States border to Hitchcock, Saskatchewan.

"Fourth Street has been severely impacted by the volume of heavy truck traffic coming through our city," Deputy Mayor Sandy Wilson said. "We are sure these monies will provide a good portion of the funds required to repair Fourth Street."

In addition to the federal, provincial and municipal cost-sharing agreement for the resurfacing of 4th Street, the city and the province have agreed to conduct a study on a future truck bypass. The study will cost $100,000 with Saskatchewan Highways and Transportation contributing 80 per cent of the cost.

News Release

March 15, 2005

Highways and Transportation - 207

PROVINCE TO IMPROVE HIGHWAYS IN THE WEYBURN/ESTEVAN AREA

Tenders have been awarded and gravel stockpiling is underway on several highway improvement projects listed on the Winter Tender Schedule for the Weyburn and Estevan areas.

"These highways are important transportation routes in southeast Saskatchewan, representing major tourism links and north-south trade corridors with the U.S.," Highways and Transportation Minister Maynard Sonntag said.

"Transportation is an enabler for economic development at both the regional and national levels, and these improvements demonstrate once again that this is a priority for the Government of Saskatchewan. We are working to enhance the sustainability of our provincial transportation network and ensure that it meets the unique challenges we face in the 21st century."

- On Highway 39, a total of 12.73 km will be resurfaced from Ralph to Weyburn. ASL Paving Ltd. of Saskatoon is the contractor. Gravel crushing and hauling in preparation for construction began February 2nd, and on-road construction is scheduled to begin on May 25th. This project is valued at $1.9 million and will employ 16 workers.

- On Highway 13, a total of 12.42 km will be resurfaced west of Weyburn, between Highway 28 and Highway 6. Potzus Paving and Road Maintenance Ltd. Of Yorkton is the contractor. Gravel crushing and hauling began February 17th, and on-road construction is scheduled to begin June 10th. This project is valued at $1.6 million and will employ a total of 41 workers.

- On Highway 13, a total of 10.23 km will be resurfaced from 1.09 km to 11.32 km west of the junction of Highway 35 at Weyburn. Morsky Construction Co. Ltd. of Regina is the contractor. On-road construction commenced on October 11th, 2004 and will re-commence on approximately May 10th. This project is valued at $1.4 million.

- On Highway 39, a total of 20 km will be resurfaced from 18.53 km north of the U.S. border to the intersection with Kensington Avenue in Estevan. ASL Paving Ltd. of Saskatoon is the contractor. Gravel crushing and hauling in preparation for construction has begun, and on-road construction is scheduled to begin on July 4th. This project will be cost-shared with the federal government through the Border Infrastructure Fund (BIF). It is valued at $2.2 million and will employ 22 workers.

- On Highway 6, a total of 13.9 km will be resurfaced near Pangman, from 12.04 km to 25.94 km north of the junction of Highway 13. Potzus Paving and Road Maintenance Ltd. of Yorkton is the contractor. Gravel crushing and hauling for this project began on February 17th, and on-road construction is scheduled to begin on July 15th. This project is valued at $1.6 million and will employ a total of 20 workers.

"These projects are part of our commitment to maintaining and improving a comprehensive transportation network that supports economic development in Saskatchewan," Sonntag said.

These projects are included on Saskatchewan Highways and Transportation's 2004-05 Winter Tender Schedule (WTS). The WTS lists a total of 29 highway improvement projects, three bridge rehabilitations, and 11 gravel stockpiling contracts up for tender to Saskatchewan's road building industry this winter. The total value of the WTS is $79.5 million.

The highway improvement projects in the WTS for 2005 are tendered in the winter to get a jump on the spring and summer construction season. Additional projects will be announced in the spring when the 2005-06 budget is released.

For more information about road construction projects, and other SaskatchewanHighways and Transportation activities, visit the department's web site at: www.highways.gov.sk.ca.

News Release

August 30, 2004

Highways and Transportation - 513

IMPROVING HIGHWAY 39 NORTH OF THE U.S BORDER

Construction is now underway on 18.2 km of resurfacing on Highway 39 north of the U.S. border.

Resurfacing will take place from the U.S. border at North Portal to Roche Percee. ASL Paving Ltd. of Saskatoon is the contractor. This $2.4 million project will be cost-shared with the federal government through the Border Infrastructure Fund (BIF). It will employ 25 full-time workers.

The public is advised that there will be an occasional disruption of traffic during the construction period, which should wrap up by the beginning of October.

"The improvement to Highway 39 at the U.S. border will help improve traffic flow through this Canada/U.S. port," Highways and Transportation Minister Maynard Sonntag said. "Highway 39 is very important to Saskatchewan - serving as a tourism link and major north-south trade corridor to the U.S."

Other work on Highway 39 this construction season includes 7.8 km of resurfacing from the town of Yellow Grass, northwest.

Over the past three years, the province has invested $900 million in Saskatchewan's transportation network, improving 1,000 km of paved highways, upgrading 750 km of rural highways, and twinning 172 km on Highways 1 and 16.

This year's budget provides an additional $294.8 million to improve another 740 km of major highways, improve 30 bridges, and twin 53 km on Highways 1 and 16 this construction season.

Remember to slow to 60 km/h when passing through the construction Orange Zone, and watch for construction workers, signs and heavy equipment. For more information about construction in your area, view the provincial project map at: www.highways.gov.sk.ca.

News Release

June 7, 2004

Highways and Transportation - 338

IMPROVING HIGHWAY 47 NEAR ESTEVAN

Construction is underway on 5.9 km of grading and paving from 5 km north of the U.S. border to 3 km south of Estevan.

Saskatchewan Highways and Transportation, in partnership with SaskPower and Luscar Coal, are delivering this $2.4 million project. Panteluk Construction Ltd. of Estevan is the contractor.

The public is advised that there will be an occasional disruption of traffic during the construction period. Thirty workers will be employed on this project, and construction is expected to be complete by the end of August.

"This agreement with our industry partners will serve to enhance regional economic development and safety," Highways and Transportation Minister Maynard Sonntag said. "The construction on Highway 47 will improve this north-south trade corridor to the benefit of industry, tourists and motorists alike while enabling access to existing coal reserves."

Other construction in the Estevan area includes:

- 18.2 km of resurfacing on Highway 39 from the U.S. border at North Portal to Roche Percee. ASL Paving Ltd. of Saskatoon is the contractor. On-road construction is set to begin July 15th and should wrap up at the end of August. This $2.5 million project will be cost-shared with the federal government through the Border Infrastructure fund (BIF), and will employ 25 workers.

- 12 km of resurfacing on Highway 18 from 6 km east to 6 km west of Carnduff. This construction project has not yet been tendered.

Over the past three years, the province has invested $900 million in Saskatchewan's transportation network, improving 1,000 km of paved highways, upgrading 750 km of rural highways, and twinning 172 km on Highways 1 and 16.

This year's budget provides an additional $294.8 million to improve another 740 km of major highways and 30 bridges, and twin 53 km on Highways 1 and 16 this construction season.

Remember to slow to 60 km/hr when passing through the construction Orange Zone, and watch for construction workers, signs and heavy equipment. For more information about construction in your area, view the provincial project map at: www.highways.gov.sk.ca.

News Release

March 3, 2004

Highways and Transportation - 082

IMPROVING HIGHWAYS IN THE WEYBURN/ESTEVAN AREA

Tenders have been awarded and gravel stockpiling is underway on four highway improvement projects listed on the Winter Tender Schedule for the Weyburn/Estevan area.

"The highways designated for improvements in the Weyburn and Estevan areas have experienced heavy truck traffic, leading to rutting and rough sections," Highways and Transportation Minister Maynard Sonntag said. "These projects, worth a total of $7.7 million, will enhance key transportation corridors in southern Saskatchewan and support regional economic and social development."

· On Highway 13, 10.2 km will be resurfaced west of Weyburn, beginning 1 km west of the Junction of Highway 35 continuing to 11 km west of the Junction of Highway 35. Morsky Construction Ltd. of Regina is the contractor. Gravel crushing and hauling in preparation for construction began February 2nd, and on-road construction is slated for August 30th. This project is valued at $1.4 million and will employ 43 full-time workers.

· On Highway 39, 7.7 km will be resurfaced through the town of Yellow Grass continuing northwest. ASL Paving Ltd. of Saskatoon is the contractor. Gravel crushing and hauling is expected to begin in mid-March, and on-road construction is set to begin June 10th. This project is valued at $1.1 million and will employ 24 full-time workers.

· On Highway 39, 18.2 km will be resurfaced from the U.S. border at North Portal to Roche Percee. ASL Paving Ltd. of Saskatoon is the contractor. Gravel crushing and hauling began January 20th and on-road construction is set to begin July 15th. This project will be cost-shared with the federal government through the Border Infrastructure fund (BIF). It is valued at $2.5 million and will employ 25 full-time workers.

· On Highway 6, 16.3 km will be paved from the U.S. border at the Port of Regway north. Carmacks Enterprises Ltd. of Edmonton is the contractor. Gravel crushing and hauling began December 10th, 2003 and on-road construction is scheduled for June 10th, 2004. This project is valued at $2.7 million and will employ 73 full-time workers.

The projects on Highways 39 and 6 will help to improve traffic flow through these Canada/U.S. ports. "Highways 6 and 39 are very important to Saskatchewan - serving as tourism links and major north-south trade corridors to the U.S.," Sonntag said.

These highway improvement projects for the Weyburn/Estevan area are included on Saskatchewan Highways and Transportation's 2003-04 Winter

Tender Schedule (WTS). The WTS lists a total of 29 highway improvement projects, one bridge rehabilitation and 15 gravel stockpiling/bit mix contracts up for tender to Saskatchewan's roadbuilding industry this winter. The total value of the WTS is $72.8 million.

The WTS represents about half of the highway improvement projects that will take place in 2004. These projects are tendered in the winter to get a jump on the spring and summer construction season, while creating seasonal employment. Hauling gravel in preparation for these projects in the winter also helps to minimize road damage since the roadbeds are frozen.

Additional highway improvements projects will be announced in the spring when the 2004-05 budget is released.

For more information about road construction projects, and other Saskatchewan Highways and Transportation activities, visit the web site at:www.highways.gov.sk.ca.

News Release

March 5, 2003

Highways and Transportation - 128

PRIME MINISTER CHRÉTIEN AND PREMIER CALVERT ANNOUNCE $164 MILLION TO IMPROVE HIGHWAYS IN SASK.

Prime Minister Jean Chrétien and Saskatchewan Premier Lorne Calvert today announced their governments' commitment of $164 million to highway improvements in Saskatchewan, including completing the twinning of the Trans-Canada Highway 1 and of the Trans-Canada Yellowhead Highway 16 between North Battleford and Alberta.

"The Governments of Canada and Saskatchewan have agreed that the twinning of these sections of the National Highway System is the top joint infrastructure priority in Saskatchewan," Prime Minister Chrétien said. "I am very confident today's announcement will have a major impact on the economy of Saskatchewan as well as on the economies of neighbouring provinces."

"The Government of Saskatchewan is pleased to receive significant funding for the twinning initiative on our National Highway System," Premier Lorne Calvert said. "This major contribution toward twinning will help accelerate the twinning schedule and will save lives and increase economic opportunities in Saskatchewan."

Today's announcement will complete the funding for the twinning of Highway 1 between Indian Head and the Manitoba border, Highway 1 between Gull Lake and the Alberta border, and Highway 16 between North Battleford and Lloydminster. Funding will also be made available to improve the flow of people and goods on Highway 39, leading to the North Portal border crossing.

The $82-million Government of Canada contribution to these projects will be made through three programs: · $65 million from the Canada Strategic Infrastructure Fund (CSIF) · $12 million from a previously announced contribution to Saskatchewan under the Strategic Highway Infrastructure Program (SHIP); and · $5 million from the Border Infrastructure Fund (BIF).

The Government of Saskatchewan will match this $82-million contribution.

Through the $2-billion Canada Strategic Infrastructure Fund, the Government of Canada is working with provincial, territorial and municipal governments, as well as with the private sector, to respond to strategic infrastructure needs throughout the country. These investments are directed to large-scale projects of major national and regional significance, in areas that are vital to sustaining economic growth and supporting an enhanced quality of life for Canadians.

The $600-million Strategic Highway Infrastructure Program is a Government of Canada initiative to work in collaboration with the provinces to address the most pressing issues related to the National Highway System. The program will help provide all Canadians with a safer and more efficient highway system.

The $600-million Border Infrastructure Fund was established to help reduce border congestion, expand infrastructure capacity over the medium term, co-ordinate with adjacent American border facility and road access, support the implementation of the Smart Borders Action Plan, and enhance safety and security at border crossing.

The last Speech from the Throne formally committed the Government of Canada to an additional 10-year involvement in public infrastructure. Budget 2003 reaffirmed this long-term commitment and provided an additional $3 billion in infrastructure support, including $1 billion for municipal infrastructure. In combination with the $5.25 billion in infrastructure programs announced in Budget 2000 and 2001, this brings the federal government's recent investment in the nation's infrastructure to over $8 billion.

For more information on Infrastructure Canada and its programs, please visit: http://www.infrastructurecanada.gc.ca. For more information on the Strategic Highway Infrastructure Program, please visit: http://www.tc.gc.ca/ship

APPENDIX D
Annual Audit Report

Provincial Auditor Saskatchewan

1500 Chateau Tower
1920 Broad Street
Regina, Saskatchewan
S4P 3V2

SASKATCHEWAN

Phone (306) 787-6398
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Internet e-mail info@auditor.sk.ca

AUDITOR'S REPORT

To the Minister of the Department of Highways and Transportation

At the request of the Department of Highways and Transportation (the Department), I have audited the schedule of detailed expenditures under the Canada-Saskatchewan Agreement on the Saskatchewan North Portal Border Project (as defined in Schedule C of the agreement) for the year ended March 31, 2006. This schedule is the responsibility of the management of the Department. My responsibility is to express an opinion on this schedule based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial information is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial information. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial information.

In my opinion, this schedule presents fairly, in all material respects, the detailed expenditures under the Canada-Saskatchewan Agreement on the Saskatchewan North Portal Border Project for the year ended March 31, 2006 in accordance with the provisions of Schedule C of that agreement.

Regina, Saskatchewan
May 29, 2006

Fred Wendel, CMA, CA
Provincial Auditor

CANADA- SASKATCHEWAN AGREEMENT ON THE SASKATCHEWAN NORTH PORTAL BORDER PROJECT
SCHEDULE OF DETAILED EXPENDITURES
FOR THE YEAR ENDED MARCH 31, 2006

Project Number	Project Description	Contract Authorization	Revised Contract Amount	2005-06 Expenditures Claimed to Date	Total Claimed To Date	Shared Claim Amount (50%)	Contract Balance
1.1	Rehabilitation - North Portal to Roche Percee	PH037111	$2,491,915	$2,101,929	$2,101,929	$1,050,965	$389,986

Project Number	Project Description	Contract Authorization	Revised Contract Amount	2005-06 Expenditures Claimed to Date	Total Claimed To Date	Shared Claim Amount (50%)	Contract Balance
1.2	Rehabilitation - Roche Percee to City of Estevan	PH037112	$2,233,526	$1,761,142	$1,761,142	$880,571	$472,384

Project Number	Project Description	Contract Authorization	Revised Contract Amount	2005-06 Expenditures Claimed to Date	Total Claimed to Date	Shared Claim Amount (50%)	Contract Balance
2.1	Luscar Coal Haul Road and CPR Overpasses		$651,000	$0	$0	$0	$651,000

Project Number	Project Description	Contract Authorization	Revised Contract Amount	2005-06 Expenditures Claimed to Date	Total Claimed To Date	Shared Claim Amount (50%)	Contract Balance
3.1	Rehabilitation Highway 39 Between Macoun and Midale		$1,950,000	$0	$0	$0	$1,950,000

Project Number	Project Description	Contract Authorization	Revised Contract Amount	2005-06 Expenditures Claimed to Date	Total Claimed To Date	Shared Claim Amount (50%)	Contract Balance
4.1	Rehabilitation Highway 39 Connector Through City of Estevan		$2,000,000	$0	$0	$0	$2,000,000
		Program Total:	$9,326,441	$3,863,071	$3,863,071	$1,931,536	$5,463,370

(See accompanying Notes)

Canada - Saskatchewan Agreement On The
Saskatchewan North Portal Border Project
Notes to the Schedule
March 31, 2006

1. Description of the Agreement

The purpose of the Canada - Saskatchewan Agreement on The Saskatchewan North Portal Border Project agreement between the Department of Highways and Transportation, Transport Canada and Infrastructure Canada is to jointly finance capital investments, highway construction, restoration and improvement work to the Highway 39 corridor situated in Saskatchewan to improve traffic flow as well as enhanced security and flow of trade between Canada and the United States.

2. Summary of Accounting Policies

Expenditures

Expenditures are recorded on the cash basis of accounting.

APPENDIX E

Site Visits Conducted by Transport Canada

SITE VISIT REPORT ***Saskatchewan BIF***	
Site Visit No.: No.1 (Initial visit prior to TB submission)	**Date: December 3, 2003**
Project Name:	Highway 39 Improvements
Project Location:	Highway 39 – Hitchcock to the U.S. border at North Portal
Project Description:	Reconstruction of 56km of the existing two lane Highway 39. The work includes reconstruction, paving shoulders, ITS implementation at the border crossing, physical improvements at the border, improvements within the City of Estevan, bridge strengthening and improvements in geometry.
Start Date:	Winter 2004
Completion Date:	2008
Total Eligible Costs:	$ 14.5 Million
Federal Contribution:	$ 5 Million
Contacts:	Andrea Fisher Manager, Operational Assessment Unit Saskatchewan Highways & Transportation 11th flr, 1855 Victoria Ave. Regina, Saskatchewan S4P 3V5 Ph: (306) 787-0662 Fax: (306) 787-8700 Garry Cairns, Assistant Project Manager Saskatchewan Highways and Transportation, Southern Region 1630 Park Street Regina, SK S4P 3V7 Ph (306) 787-3681 Cell (306) 533-0851

Description of Surrounds:	The area is rural and is primarily agricultural and there is a major coal mine south of Estevan that straddles Highway 39. The existing route will be maintained. The topography is fairly flat. There are no wetland areas but the project does cross the Souris River (no work over the water).
Additional Information:	

PROGRAM SIGNAGE

	Yes	No
Program signs installed as per agreement?		x

If NO, why not?

The highway construction projects have not started yet.

ENVIRONMENTAL MITIGATION

	In Place (Y/N)	Photo No.
No construction work as of yet.		

Additional Comments:

CONSTRUCTION ACTIVITIES

List construction activities during site visit:

None. Project is still in the planning stage.

General construction schedule for remainder of project:

In general, the project will be undertaken through a number of smaller contracts. The first contract for aggregate processing was completed during the winter of 2004 and the main construction contracts are to begin in the summer of 2004.

Any discrepancies between the proposed project description and what is being built?

Saskatchewan is still negotiating the final contract details with the City of Estevan.

Additional Comments:

Site photos in addition to those below can be found on the TC drive at:

G:\AH\AHS\AHS NEW\Highways\Saskatchewan\y-Federal Programs\Site Visits\Jim Clarkin Saskatchewan Photots early December 2003

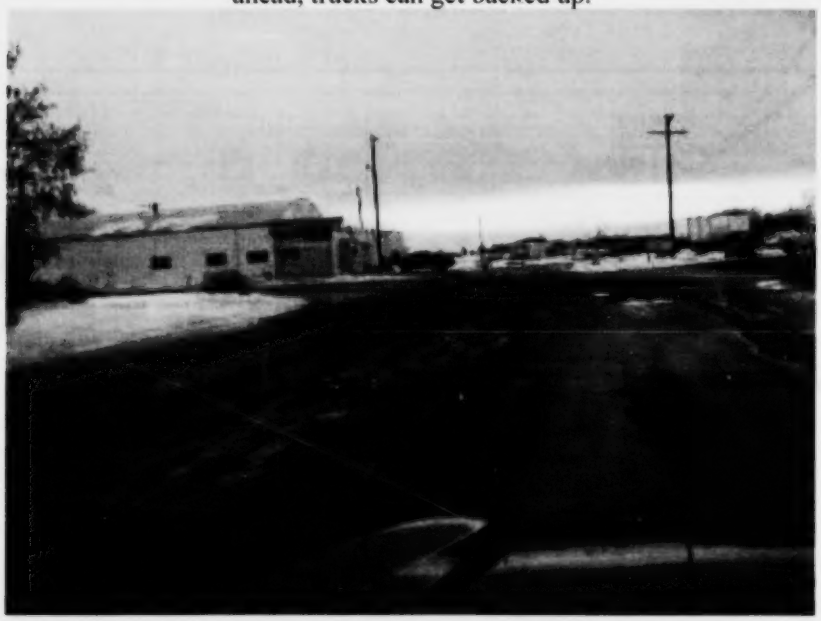
Highway 39 – CPR O'Head in Estevan, west elevation, to be strengthened.

Highway 39 – South of Estevan – heading south – Intersection to be re-aligned

Highway 39 – Approach to border facility – looking north

Highway 39 – Heading to border crossing at North Portal

Highway 39 – Existing Truck Route in Estevan – heading north, very poor geometry ahead, trucks can get backed up.



Highway 39 – Typical (level rail crossing just south of Souris River)

SITE VISIT REPORT *Saskatchewan BIF*	
Site Visit No.: No.2 (2004 visit)	**Date: June 3, 2004**
Project Name:	Highway 39 Improvements
Project Location:	Highway 39 – Hitchcock to the U.S. border at North Portal
Project Description:	Reconstruction of 56km of the existing two lane Highway 39. The work includes reconstruction, paving shoulders, ITS implementation at the border crossing, physical improvements at the border, improvements within the City of Estevan, bridge strengthening and improvements in geometry.
Start Date:	Winter 2004
Completion Date:	2008
Total Eligible Costs:	$ 14.5 Million
Federal Contribution:	$ 5 Million
Contacts:	Andrea Fisher Manager, Operational Assessment Unit Saskatchewan Highways & Transportation 11th flr, 1855 Victoria Ave. Regina, Saskatchewan S4P 3V5 Ph: (306) 787-0662 Fax: (306) 787-8700 Garry Cairns, Assistant Project Manager Saskatchewan Highways and Transportation, Southern Region 1630 Park Street Regina, SK S4P 3V7 Ph (306) 787-3681 Cell (306) 533-0851

Description of Surrounds:	The area is rural and is primarily agricultural and there is a large coal mine south of Estevan. The existing route will be maintained. The topography is fairly flat. There are no wetland areas but the project does cross the Souris River (no work over the water).
Additional Information:	

PROGRAM SIGNAGE

	Yes	No
Program signs installed as per agreement?		x

If NO, why not?

The highway construction projects have not started yet.

ENVIRONMENTAL MITIGATION

	In Place (Y/N)	Photo No.
No construction work as of yet.		

Additional Comments:

CONSTRUCTION ACTIVITIES

List construction activities during site visit:

None. There has been a lot of work to process aggregates and establish stockpiles.

General construction schedule for remainder of project:

In general, the project is being undertaken through a number of smaller contracts. The first contract for aggregate processing was completed during the winter of 2004 and the main construction contracts are to begin later in the summer of 2004.

Any discrepancies between the proposed project description and what is being built?

Saskatchewan is still negotiating the final contract details with the City of Estevan.

Additional Comments:

Site photos in addition to those below can be found on the TC drive at:

G:\AH\AHS\AHS NEW\Highways\Saskatchewan\y-Federal Programs\Site Visits\June 2 to 9 2004 - SHIP BIF CSIF\20040610-131400

Highway 39 – Existing conditions, heading south, north of Estevan.

Aggregate stockpile completed in Winter 2004 to be used for surfacing work.

Highway 39 – Approaching the border at North Portal,

Highway 39 – Existing conditions, heading north towards the Souris River

SITE VISIT REPORT ***Saskatchewan BIF***	
Site Visit No.: No.3 (2005 visit)	**Date: September 1, 2005**
Project Name:	Highway 39 Improvements
Project Location:	Highway 39 – Hitchcock to the U.S. border at North Portal
Project Description:	Reconstruction of 56km of the existing two lane Highway 39. The work includes reconstruction, paving shoulders, ITS implementation at the border crossing, physical improvements at the border, improvements within the City of Estevan, bridge strengthening and improvements in geometry.
Start Date:	Winter 2004
Completion Date:	2008
Total Eligible Costs:	$ 14.5 Million
Federal Contribution:	$ 5 Million
Contacts:	John Czernick External Program Administrator Corporate Support Operational Assessment Saskatchewan Highways and Transportation Regina, Saskatchewan (306) 787-3962 Bus. (306) 787-8700 Fax jczernick@highways.gov.sk.ca Garry Cairns, Assistant Project Manager Saskatchewan Highways and Transportation, Southern Region 1630 Park Street Regina, SK S4P 3V7 Ph (306) 787-3681 Cell (306) 533-0851

Description of Surrounds:	The area is rural and is primarily agricultural. There is also a major industrial coal mine south of Estevan. The existing Highway alignment will be maintained and resurfacing will be completed within the existing right-of-way. The topography is fairly flat. There are no wetland areas but the project does cross the Souris River (no work over the water).
Additional Information:	The City of Estevan has agreed to complete the reconstruction of Highway 39 within the City limits and will receive a maximum of $1 million federal and $1 million provincial for the reconstruction.

PROGRAM SIGNAGE

	Yes	No
Program signs installed as per agreement?		

If NO, why not?

Yes – the signs for the 2005 work (immediately south of Estevan to near the Souris River) were in place.
No – the signs for the 2004 work (from the Souris River to North Portal) had been removed following completion of the work. SHT staff were contacted and the signs will be re-installed for the full 1 year period following construction.

ENVIRONMENTAL MITIGATION

	In Place (Y/N)	Photo No.
The 2005 construction work was completed at the time of the site visit and.due to the nature of the work (resurfacing within the existing corridor, crossing only one water body, very few residences near this section of Highway) there is little need for environmental protection measures.	N/A	

Additional Comments:

CONSTRUCTION ACTIVITIES

List construction activities during site visit:

The 2004 (Souris River to North Portal) and 2005 (Estevan to Souris River) resurfacing projects were both complete at the time of the site visit. No construction was underway on Highway 39 at the time of the visit.

General construction schedule for remainder of project:

In general, the project is being undertaken through a number of smaller contracts. The first contract for aggregate processing was completed during the winter of 2004 and the main construction contracts are scheduled as follows:

- Highway 39 – Souris River to North Portal (completed in 2004, surface flushed in 2005)
- Highway 39 – Estevan to the Souris River (complete in Summer 2005)
- Highway 39 – Estevan to Hitchcok – scheduled for 2006
- Highway 39 – within the Estevan City limits – scheduled for 2007

Any discrepancies between the proposed project description and what is being built?

No. Construction is proceeding as per the agreement.

Additional Comments:

No concerns with this project. The construction is proceeding well and on schedule. End quality of the work is good. For payment purposes it is reasonable to pay all claims for work south of Estevan.

Site photos in addition to those below can be found on the TC drive at:

G:\AHS\AHS NEW\Highways\Saskatchewan\y-Federal Programs\Site Visits\2005 August 31 and Sept 1\BIF sept 1 2005

Highway 39 – Heading south at south limits of Estevan. Photo taken from CPR Bridge. Resurfaced in 2005 under BIF. BIF sign is located on the right side at the bottom of the embankment.

Newly paved section (2005) approaching four lane section of Highway 39 south of Estevan.

Highway 39 after resurfacing – heading south towards the Souris River. BIF signs on both sides at southern limit of 2005 contract.

Highway 39 heading south approaching North Portal. This section was resurfaced in 2004 and as planned 'flushed' with oil in 2005 to improve the aggregate performance. Highway markings will be re-instated.

Highway 39 heading into North Portal and the border crossing. This section was resurfaced in 2004 and flushed in 2005. The surface is very good and received industry awards within the Province.

APPENDIX F
Affidavits for Completed Projects

SCHEDULE F

CANADA – SASKATCHEWAN
CANADA / SASKATCHEWAN - AGREEMENT ON THE SASKATCHEWAN NORTH PORTAL BORDER PROJECT
2003/04 – 2008/09

AFFIDAVIT

CANADA –SASKATCHEWAN

In the matter of the implementation agreement of the CANADA-SASKATCHEWAN AGREMENT ON THE SASKATCHEWAN NORTH PORTAL BORDER PROJECT pursuant to the BORDER INFRASTRUCTURE FUND entered into between the Government of Canada, represented by the Minister of Transport of Canada, and the Government of Saskatchewan, represented by the Minister of Department of Highways and Transportation, Saskatchewan, on 5th day of March, 2003.

I, Brent Miller, a Registered Professional Engineer in Saskatchewan, declare as follows:

1. That I am the supervisor of the work designated by the Minister of Department of Highways and Transportation, Saskatchewan, and as such have knowledge of the matters set forth in this affidavit;

2. That the work identified as the Project Number 1.1 in Schedule B of the above-mentioned Agreement has been completed as described in Schedule B, Revision 1 dated on the 30th day of January, 2006.

3. That the work:

   i. Was carried out by ASL Paving Limited, between the dates of January 7th, 2004 and September 29th, 2004;

   ii. Was supervised and inspected by qualified staff;

   iii. Conforms with the plans, specifications and other documentation for the work;

   iv. Conforms with applicable environmental legislation, and appropriate mitigation measures have been implemented; and

   v. Conforms with the traffic, construction and engineering guidelines as recognized by the Transportation Association of Canada (TAC) or any other provincially or territorially sanctioned guidelines approved by the Management Committee established under the above mentioned Agreement.

4. Declared at Regina, Saskatchewan, the 29th day of March, 2006.

B. L. Miller, Project Manager
(name, title)

(witness name, title)
Ricky Bayko, Project Manager

(SEAL)

PROFESSIONAL ENGINEER
B.L. MILLER
MEMBER 03928
2006 04 05
YR MO DAY
SASKATCHEWAN

SCHEDULE F

CANADA – SASKATCHEWAN
CANADA / SASKATCHEWAN - AGREEMENT ON THE SASKATCHEWAN NORTH PORTAL BORDER PROJECT
2003/04 – 2008/09

AFFIDAVIT

CANADA –SASKATCHEWAN

In the matter of the implementation agreement of the CANADA-SASKATCHEWAN AGREMENT ON THE SASKATCHEWAN NORTH PORTAL BORDER PROJECT pursuant to the BORDER INFRASTRUCTURE FUND entered into between the Government of Canada, represented by the Minister of Transport of Canada, and the Government of Saskatchewan, represented by the Minister of Department of Highways and Transportation, Saskatchewan, on 5th day of March, 2003.

I, Brent Miller, a Registered Professional Engineer in Saskatchewan, declare as follows:

1. That I am the supervisor of the work designated by the Minister of Department of Highways and Transportation, Saskatchewan, and as such have knowledge of the matters set forth in this affidavit;

2. That the work identified as the Project Number 1.2 in Schedule B of the above-mentioned Agreement has been completed as described in Schedule B, Revision 1 dated on the 30th day of January, 2006.

3. That the work:

   i. Was carried out by ASL Paving Limited, between the dates of January 25th, 2005 and July 12th, 2005;

   ii. Was supervised and inspected by qualified staff;

   iii. Conforms with the plans, specifications and other documentation for the work;

   iv. Conforms with applicable environmental legislation, and appropriate mitigation measures have been implemented; and

   v. Conforms with the traffic, construction and engineering guidelines as recognized by the Transportation Association of Canada (TAC) or any other provincially or territorially sanctioned guidelines approved by the Management Committee established under the above mentioned Agreement.

4. Declared at Regina, Saskatchewan, the 29th day of March, 2006.

B. J. Miller, Project Manager
(name, title)

(witness name, title)
Ricky Cayko, Project Manager

(SEAL)

PROFESSIONAL ENGINEER
B.J. MILLER
MEMBER 09028
2006 04 05
YR MO DAY
SASKATCHEWAN